

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Jul 10, 2014

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Broken Clock Bar & Grill, LLC DBA Broken Clock Bar & Grill.

Exact Wording for the Agenda:

Resolution authorizing the City Attorney to seek a forfeiture of the surety bond issued by Western Surety Company.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

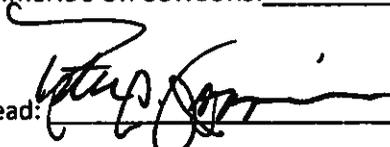
Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

More than thirty (30) days have passed since the issuance of the Notice of Final Assessment to Broken Clock Bar & Grill, LLC DBA Broken Clock Bar & Grill reflecting that Broken Clock Bar & Grill, LLC DBA Broken Clock Bar & Grill is indebted to the City of Huntsville for past-due liquor and sales taxes, interest and penalties in the amount of 5,152.74 for the period in which said bond was in effect. Broken Clock Bar & Grill, LLC DBA Broken Clock Bar & Grill has not responded to the Notice of Final Assessment.

Associated Cost: _____

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: _____

Department Head:  _____

Date: 7-2-14

RESOLUTION NO. 14-_____

WHEREAS, Western Surety Company issued a surety bond in the amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) for the payment of liquor and other taxes to Broken Clock Bar & Grill, LLC.

WHEREAS, the Principal failed to pay taxes in the amount of FIVE THOUSAND ONE HUNDRED FIFTY TWO AND 74/100 DOLLARS (\$5,152.74) for the taxing period of July through November 2013 and interest through May 2014; and

WHEREAS, the City Clerk-Treasurer's Office has made every possible effort to collect the taxes due from the Principal.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama, that the City Attorney's Office is hereby authorized, requested, and directed to seek a forfeiture of the surety bond issued by Western Surety Company; and

BE IT FURTHER RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor, upon payment by Western Surety Company and in accordance with its bond, is hereby authorized, requested, and directed to execute a release and assignment agreement substantially in words and figures as Attachment "A", an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 10th day of July, 2014.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 10th day of July, 2014.

Mayor of the City of
Huntsville, Alabama

ATTACHMENT "A"

KNOW ALL MEN BY THESE PRESENTS that the undersigned, for the sole consideration of FIVE THOUSAND ONE HUNDRED FIFTY TWO AND 74/100 DOLLARS (\$5,152.74) to be paid by Western Surety Company from the bond of Broken Clock Bar & Grill, LLC (Bond Number 71321432), to the City of Huntsville, Alabama, releases and discharges Western Surety Company from the obligation of the bond to the extent of FIVE THOUSAND ONE HUNDRED FIFTY TWO AND 74/100 DOLLARS (\$5,152.74) received for the taxing period of July through November 2013 and interest through May 2014.

In further consideration of payment of FIVE THOUSAND ONE HUNDRED FIFTY TWO AND 74/100 DOLLARS (\$5,152.74) of the above noted bond, the City of Huntsville, Alabama, hereby assigns to Western Surety Company any claim the City of Huntsville, Alabama, may have against Broken Clock Bar & Grill, LLC, for delinquent or deficient taxes or license fees to the extent of the remitted amount of FIVE THOUSAND ONE HUNDRED FIFTY TWO AND 74/100 DOLLARS (\$5,152.74) for the taxing period of July through November 2013 and interest through May 2014. The City of Huntsville, Alabama, retains any claim it may have against Broken Clock Bar & Grill, LLC, for delinquent or deficient taxes or license fees greater than the amount of FIVE THOUSAND ONE HUNDRED FIFTY TWO AND 74/100 DOLLARS (\$5,152.74) received from Western Surety Company for the taxing period of July through November 2013 and interest through May 2014.

IN WITNESS WHEREOF, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the 10th day of July, 2014.

CITY OF HUNTSVILLE, ALABAMA

BY: _____
Tommy Battle
Its Mayor

ATTEST:

By: _____
Charles E. Hagood
Its Clerk -Treasurer